Revision of Rate of Royalty for Lignite

*355. SHRI BRAHMAKUMAR BHATT: Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether it is a fact that royalty on minerals is the main source of income of States;

(b) whether the Gujarat Government has approached the Central Government to stremline the existing system of departmentally fixing the rates of royalty;

(c) if so, the response of Government thereto;

(d) whether the Central Government propose to set up a statutory body of experts for the purpose;

(e) whether a decision has been taken to revise the rate of royalty for lignite every three years; and

(f) if so, the reasons for not revising the rate since 1990?

THE MINISTER OF MINES AND MINERALS (SHRI NAVEEN PATNAIK): (a) to (d) Royalty on minerals is one of the important sources of revenue for the State Governments. From time to time various State Governments approach the Central Government to streamline the system of fixation of royalty and/or revising the rate of royalty on minerals. As per the provisions of Section 9(3) of the Mines and Minerals (Regulation and Development) Act, 1957, the Central Government may, by notification in the Official Gazette, amend the Second Schedule to the Act so as to enhance or reduce the rate at which royalty shall be payable in respect of any mineral with effect from such date, as may be specified in the notification, provided that the Central Government shall not enhance the rates of royalty in respect of any minerals more than once during any period of 3 years. Study Groups representing all interested sections are periodically constituted by the Government to recommend revision in the royalty rates to the Government. There is no proposal to set up a statutory body of experts to streamline the existing system of fixing the rates of royalty.

(e) The provisions of Section 9(3) of the Act do not stipulate any specific periodicity for carrying out revision of royalty rates.

(f) Does not arise.

Talks with NSCN (IM)

*356. SHRI C. APOK JAMIR: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that talks are underway between the Union Government and the NSCN (IM);